



The President's Daily Brief

October 8, 1975

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FOR THE PRESIDENT ONLY

October 8, 1975

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PORTUGAL

The extreme left and the Communists yesterday enlarged their challenge to the Portuguese government. Hundreds of soldiers, with the help of thousands of civilian supporters, took over a heavy artillery regiment overlooking Porto, Portugal's second largest city. Seizure of the unit, which [redacted] includes an arsenal of 700 tons of light arms and ammunition, is the most serious threat mounted so far against the Azevedo government. The commander of the Northern Military Region last night was reported trying to resolve the matter through negotiations.

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According to a well-placed and reliable US embassy source, Prime Minister Azevedo has spoken privately of resigning "within a week or so" if he cannot resolve the problem of military discipline.

The principal anti-government agitator in Lisbon is Major Dinis de Almeida, deputy commander of the extremist-controlled light artillery regiment. At a Communist-supported demonstration on Monday, Almeida attacked the political parties participating in the government, blaming them for the successive failures of the ruling military to solve Portugal's economic problems.

High-ranking military government officials also are challenging the government. Admiral Rosa Coutinho, a member of the Revolutionary Council, told a meeting of workers' councils Monday that although Prime Minister Azevedo is a "man of the left," anyone is suspect who calls for order and discipline before the revolution is completed.

The Communists have not taken the lead in the current turmoil. The party did bring thousands of workers by train to Lisbon yesterday to support a brief strike by steel workers.

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Successive challenges to the government's authority have completely frustrated Prime Minister Azevedo's attempts to restore military discipline and public order. Although the extreme leftist opposition appears poorly organized, it is now questionable whether the Azevedo government can muster sufficient support in the Lisbon area to maintain itself in power.

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West German Defense Minister Leber's three-day visit to Portugal beginning today clearly is meant to show Bonn's support for the Azevedo government.

Leber was invited by President Costa Gomes some time ago, but said that he could not accept until the political situation in Portugal stabilized. Although the Germans do not consider this accomplished, they apparently have concluded that an overt show of support at this time might help the anti-Communist forces. Leber is scheduled to meet with Costa Gomes, Azevedo, Foreign Minister Antunes, and other members of the Armed Forces Movement and the political parties. High on the list of bilateral matters is the question of the German air base at Beja in southern Portugal. The West German air force makes little use of the base and probably would like to pull out before the agreement with the Portuguese expires in 1978.

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LEBANON

Rumors [redacted] to oust President Franjiah are circulating in Beirut. The [redacted] dissatisfaction with the President in the predominantly Christian-officered army probably stems both from frustration over the secondary role the military has been forced to play in the current crisis and from a sincere belief that Franjiah [redacted] has lost the confidence of the country.

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The push for Franjiah's removal seems to be a symptom of frustration over the difficulty in coming to grips with the Christian-Muslim power-sharing issue that is at the root of the crisis. Most Muslims would like to see Franjiah replaced by a Christian less identified with the right-wing Phalanges Party, which has been resisting the Muslim effort to modify the 1943 National Covenant. Many Christians, for their part, believe that the removal of the President is necessary to make way for a compromise granting the Muslims a greater share of political power. The Christian community as a whole, however, could split on this issue.

Sporadic fighting occurred yesterday between Christian and Muslim militia elements in the southern suburbs of Beirut and in the Tripoli-Zagharta region in northern Lebanon. The inability of the security forces to restore order in these areas may presage renewed and widespread fighting when the religious holiday ends later this week.

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Syria

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The Soviet military newspaper Red Star on September 30 implied publicly Moscow's contention in the SALT negotiations that air-launched cruise missiles should be counted under a SALT II aggregate limit.

The article comes just three weeks after a similar article in *Red Star* on the US submarine-launched cruise missile threat. Both articles demonstrate a growing concern in the Soviet military over the potential menace of US cruise missile programs and a desire to see this issue resolved as part of any SALT II agreement. The arguments presented by the author of the article on air-launched cruise missiles, in fact, represent the Soviet position on cruise missile limitations. His assertion that air-launched missiles will expand US strategic attack capabilities, and not merely enhance defense penetration, echoes Soviet arguments that air-launched cruise missiles should be subject to the same treatment in SALT as air-launched ballistic missiles. His warning that the US plans "mass deployment" of air-launched cruise missiles could be interpreted as a charge that failure to limit these missiles might permit US circumvention of possible SALT II quantitative limits.

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We estimate that the Soviets can purchase only 3 to 3.3 million tons of grain from sources other than the US for delivery during FY 1976.

We are assuming that usual trade patterns will not change and that current crop production forecasts will hold. As of October 1, the Soviets had purchased 10.4 million tons of grain from the US and 9.85 million tons from other suppliers. In future negotiations, the USSR may on occasion be competing with East European countries for free world supplies. Of the total available supplies, only about one third-- 1 million tons--is wheat; the remainder is feedgrains. The single most important supplier is Argentina, with 1.3 to 1.4 million tons available for export; negotiations with the Soviets are rumored to be in progress.

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Popular dissatisfaction with the economic situation in Poland has resulted in several instances of suspected arson.

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Leaflets found at the site of a fire that destroyed Warsaw's largest department store on September 21 threatened more fires if prices are increased [redacted]

[redacted] A fire damaged a new bridge over the Vistula on September 23. Stories of other fires, including one at the Fiat factory in Zeran on October 2, are making the rounds, and all party members reportedly have been asked to mount a night watch at factories. The US consulate in Krakow reports that more meat has appeared in the stores during the past week, and that increased numbers of police are on the streets. The extra meat had evidently been intended for export. The diversion of goods-- initially designated for export--to domestic markets has been officially announced and will further strain Poland's already serious balance-of-payments problems.

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Moroccan

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French

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Ecuador

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